

Renaissance Zone (RZ)

An economic development initiative to spur creativity, construct new housing, enhance diversity, and improve the quality of urban life in the heart of Willmar.

What monetary incentives are available in the RZ?

- Free City Permits
- Free Sewer Access Charges & Water Access Charges
- <u>Forgivable</u> Matching Loans for Façade Renovations
- Free City-Owned Land
- TIF or Tax Abatement
- 50% Reduction in WMU New Service Fees

Free City Permits:

Includes all Building Permits, Land-Use, and Sign Permits (nominal State fees still apply).

Free Sewer Access Charges & Water Access Charges:

Significant savings, as SAC and WAC is charged on a per plumbing fixture unit basis.

Forgivable Loans for Façade Renovations*:

Commercial property owners may apply for \$5,000 or \$10,000 matching forgivable loans that are payment free and forgiven 20% each year over their five-year term.

Every project is unique!

Likewise, this handout cannot cover every detail of the Renaissance Zone program.

Please meet with City staff to discuss your project and explore the possibilities.

Contact Us:

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Free City-Owned Land:*

Awarded based on project satisfaction of RZ goals: Meets significant demand, Creativity, Provides Mixed-Income Housing, Feasibility, and Enhancement of pedestrian experience.

TIF or Tax Abatement:*

Projects must meet minimum thresholds:

- At least 10,000 square feet (gross)
- At least 3 stories
- At least 4 dwelling-units (mixed-use with housing component) or 10 dwelling-units (residential only)
- Projects with housing components must designate at least 5% or 1-unit

2020 Minimum Investment Thresholds					
Term	Renovation	New Construction	Abatement Percentage		
5 Years	\$30 SF	\$50 SF	100%, Years 1-5		
10 Years	\$45 SF	\$75 SF	100%, Years 1-5 75%, Years 6-10		
15 Years	\$60+ SF	\$100 + SF	100%, Years 1-5 75%, Years 6-10 50%, Years 11-15		

(whichever is greater - 25% max.) for households earning up to 80% Area Median Income. These affordable housing units must have rents set at Fair Market Rent for Kandiyohi County as defined by HUD.

Renovation project costs must be at least 50% of current assessed value.

*Subject to approvals by Planning Commission and City Council.

50% Reduction in Willmar Municipal Utilities (WMU) New Service Fees:

	Fee 100%	Fee 50%
Electric <200 Amp Service	\$300.00	\$150.00
Electric >200 Amp Service	\$800.00	\$400.00
Water 5/8" Supply	\$425.00	\$237.50
Water 3/4" Supply	\$475.00	\$212.50
Water 1" Supply	\$600.00	\$300.00
Water 1-1/2" Supply	\$1,175.00	\$587.50
Water 2" Supply	\$1,325.00	\$662.50

Ready to access incentives?

Free permits are <u>automatically</u> applied to all projects within the RZ.

All other incentives require submission of an application, found on the City's website. Staff present applications to Planning Commission & City Council for final determination, based on an Evaluation Rubric defining minimum project thresholds.

Additionally, the RZ removes development barriers & protects the historic business district and buildings:

"Open" Zoning:

- Special Conditional Use Permit
- Few Use Restrictions
- Encourage pedestrian-oriented design
 - o reduced setbacks
 - increased density
- Reduced parking requirements via "credits"

Heritage Designation:

- Creation of Heritage Preservation Commission
- Voluntary program for property owners
 - Protect historic buildings
 - Preference for storefront incentive
 - New construction contextual sensitivity within downtown district

